

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

## OBESITY RESEARCH INSTITUTE, LLC,

Case No. 15-cv-595-BAS(MDD)

## ORDER OVERRULING ORI'S OBJECTION TO MAGISTRATE JUDGE'S MAY 12, 2016 ORDER

[ECF No. 264]

v.  
FIBER RESEARCH  
INTERNATIONAL, LLC, *et al.*,

## Defendants.

## AND RELATED COUNTERCLAIM.

Presently before the Court is Plaintiff Obesity Research Institute, LLC’s (“ORI”) meritless objection to the magistrate judge’s May 12, 2016 Order. The objection specifically addresses Defendant Fiber Research International, LLC’s (“FRI”) First Amended Request for Admission (“RFA”) No. 19, which was worded as follows:

Admit that YOUR ADVERTISING CLAIMS OF CLINICAL PROOF OF WEIGHT/FAT LOSS for Lipozene during the STATUTORY PERIOD were intended to influence consumers to purchase Lipozene.

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1 (Persinger Decl. Ex. 1, ECF No. 210-3.) ORI responded to RFA No. 19 with the  
2 following:

3 ORI is unable to admit or deny the request as phrased  
4 because it is misleading to separate out a single statement  
5 from a larger or overall advertisement, or indeed from an  
6 overall advertising campaign. ORI admits that advertising  
by definition, including its own advertising, is intended to  
inform consumers[.]

7 (Persinger Decl. Ex. 2, ECF No. 210-4.) The magistrate judge determined that ORI  
8 failed to answer the question posed, explaining that “[t]he question was whether the  
9 advertising was intended to ‘influence’ customers, not ‘inform.’” (May 12, 2016  
10 Order 4:14-21.) He ultimately concluded that the answer is evasive and insufficient  
11 under Rule 36(a)(4), and deemed the request admitted. (*Id.*)

12 For the following reasons, the Court **OVERRULES** ORI’s objection in its  
13 entirety.

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## 15 **I. LEGAL STANDARD**

16 A party may object to a non-dispositive pretrial order of a magistrate judge  
17 within fourteen days after service of the order. *See Fed. R. Civ. P. 72(a).* The  
18 magistrate judge’s order will be upheld unless it is “clearly erroneous or contrary to  
19 law.” *Id.*; 28 U.S.C. § 636(b)(1)(A). The “clearly erroneous” standard applies to  
20 factual findings and discretionary decisions made in connection with non-dispositive  
21 pretrial discovery matters. *F.D.I.C. v. Fid. & Deposit Co. of Md.*, 196 F.R.D. 375,  
22 378 (S.D. Cal. 2000); *Joiner v. Hercules, Inc.*, 169 F.R.D. 695, 697 (S.D. Ga. 1996)  
23 (reviewing magistrate judge’s order addressing attorney-client issues in discovery for  
24 clear error). Review under this standard is “significantly deferential, requiring a  
25 definite and firm conviction that a mistake has been committed.” *Concrete Pipe &*  
26 *Prods. of Cal., Inc. v. Constr. Laborers Pension Tr. of S. Cal.*, 508 U.S. 602, 623  
27 (1993) (internal quotation marks omitted).

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1       On the other hand, the “contrary to law” standard permits independent review  
2 of purely legal determinations by a magistrate judge. *See, e.g., Haines v. Liggett Grp., Inc.*, 975 F.2d 81, 91 (3d Cir. 1992) (“[T]he phrase ‘contrary to law’ indicates plenary review as to matters of law.”); *Gandee v. Glaser*, 785 F. Supp. 684, 686 (S.D. Ohio 1992), *aff’d*, 19 F.3d 1432 (6th Cir. 1994); 12 Charles A. Wright, et al., *Federal Practice and Procedure* § 3069 (2d ed., 2010 update). “Thus, [the district court] must exercise its independent judgment with respect to a magistrate judge’s legal conclusions.” *Gandee*, 785 F. Supp. at 686. “A decision is contrary to law if it fails to apply or misapplies relevant statutes, case law, or rules of procedure.” *United States v. Cathcart*, No. C 07-4762 PJH, 2009 WL 1764642, at \*2 (N.D. Cal. June 18, 2009).

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## 13       **II. ANALYSIS<sup>1</sup>**

14       ORI presents three general arguments in support of its objection: (1) RFA No. 19 “impermissibly” seeks a legal conclusion under the contrary-to-law standard; (2) 15 ORI’s response is “literally compliant”; and (3) ordering a further response was the 16 appropriate remedy and not deeming the request admitted. The latter two arguments 17 are brought under the clearly-erroneous standard. These arguments all lack merit.

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### 20       **A. RFA No. 19 Does Not Seek a Legal Conclusion.**

21       In arguing RFA No. 19 seeks a legal conclusion, ORI explains that the request 22 “attempt[s] to improperly use RFA No. 19 to establish an element of its [Section 23 43(a)] claim [under the Lanham Act]—proving materiality by proxy.” (ORI’s 24 Objection 5:24-7:14.) As ORI points out, one of the elements of a Section 43(a) claim 25 for false advertising is that “the deception is material, in that it is likely to influence

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28       <sup>1</sup> FRI presents a compelling argument that by failing to previously argue RFA No. 19 calls for a legal conclusion despite having at least four opportunities to do so, ORI waived its objection. *See Richmark Corp. v. Timber Falling Consultants*, 959 F.2d 1468, 1473 (9th Cir. 1992).

1 the purchasing decision.” *Skydrive Ariz., Inc. v. Quattrocchi*, 673 F.3d 1105, 1110  
2 (9th Cir. 2012).

3 Based on the text of RFA No. 19, the Court concludes that FRI seeks an  
4 admission of fact regarding ORI’s *intent* in using certain language in its advertising,  
5 not a legal conclusion regarding materiality. Intent and materiality are not  
6 synonymous here. “Intent” is not even mentioned in the definition of the materiality  
7 element of a Section 43(a) claim. *See Skydrive*, 673 F.3d at 1110. In *Skydrive*, a case  
8 ORI relies on, the Ninth Circuit noted that “materiality in [Lanham Act] false  
9 advertising claims is ‘typically’ proven through consumer surveys,” suggesting that  
10 an advertiser’s intent is not even the primary means of determining materiality. *See*  
11 *Skydrive*, 672 F.3d at 1110-11 (citing *Southland Sod Farms v. Stover Seed Co.*, 108  
12 F.3d 1134, 1139 (9th Cir. 1997)). At best, an advertiser’s intent may be *evidence* to  
13 support a finding of materiality. ORI appears to recognize as much in its brief where  
14 it states that “one court has implicitly held that evidence of intent to influence may  
15 be sufficient to support a finding of materiality[.]” (ORI’s Objection 5:9-22 (citing  
16 *POM Wonderful, LLC v. Purely Juice, Inc.*, 2008 U.S. LEXIS 55426, at \*30-31 (C.D.  
17 Cal. July 17, 2008))). To state the obvious, evidence to *support* materiality is not the  
18 same as materiality itself.

19 Accordingly, the Court rejects ORI’s argument that RFA No. 19 impermissibly  
20 seeks a legal conclusion. Furthermore, the Court cannot identify any legal  
21 determination by the magistrate judge that is contrary to law. *See Cathcart*, 2009 WL  
22 1764642, at \*2.

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## 24       **B.     ORI’s Response Is Evasive.**

25 To determine whether the magistrate judge’s determination—that ORI’s  
26 response is evasive—is clearly erroneous, this Court should review that  
27 determination with significant deference, “requiring a definite and firm conviction  
28 that a mistake has been committed.” *See Concrete Pipe*, 508 U.S. at 623. This Court

1 does not need to review the May 12, 2016 Order with such deference to reach the  
2 same conclusion as the magistrate judge—ORI’s response is evasive.

3 RFA No. 19 simply asks ORI for an admission whether it intended to influence  
4 consumers to purchase Lipozene with certain advertising claims, claims which FRI  
5 elaborately explained and defined in “Definitions & Instructions” portion its  
6 Amended Requests for Admission (*see* Persinger Decl. Ex. 1, ECF No. 210-3).  
7 Instead, FRI responded with a general statement about advertising, only specifying  
8 that “ORI admits that advertising by definition, including its own advertising, is  
9 intended to inform consumers.” (Persinger Decl. Ex. 2, ECF No. 210-4.) To reiterate  
10 the magistrate judge, “[t]he question was whether the advertising was intended to  
11 ‘influence’ customers, not ‘inform.’” (May 12, 2016 Order 4:14-21.) ORI did not  
12 respond to the question posed, and was evasive in its response.<sup>2</sup> *See Asea, Inc. v. S.*  
13 *Pac. Transp. Co.*, 669 F.2d 1242, 1245 (9th Cir. 1981).

14 “Rule 36(a) provides that a matter may be deemed admitted if the answer ‘does  
15 not comply with the requirements of this rule.’” *Asea*, 669 F.2d at 1245. “[F]ailure  
16 to answer or object to a proper request for admission is itself an admission[.]” *Id.*  
17 “[A]n evasive denial, one that does not ‘specifically deny the matter,’ or a response  
18 that does not set forth ‘in detail’ the reasons why the answering party cannot  
19 truthfully admit or deny the matter, may be deemed an admission.” *Id.* (emphasis  
20 added). “[T]he district court may, *in its discretion*, deem the matter admitted.” *Id.*  
21 (emphasis added).

22 The magistrate judge determined that ORI’s response was evasive. This Court  
23 also reached the same conclusion. Despite its protestation that the appropriate remedy  
24 was a further response, ORI provides no authority requiring that such a step be taken  
25 by the Court before deeming a request to which there is an evasive response as

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27 <sup>2</sup> In arguing that its response was “literally compliant,” ORI curiously states that “[d]eeming  
28 such a request admitted incorrectly establishes specific intent when no such intent was ever  
formed.” (ORI’s Objection 9:7-8.) This statement—particularly, the clause that “when no such  
intent was ever formed”—suggests that ORI’s position is one of denying RFA No. 19.

1 admitted. Rather, binding legal authority that ORI itself relies on, suggests that  
2 deeming admitted a request to which there is an evasive or non-responsive response  
3 is within the discretion of the Court. *See Asea*, 669 F.2d at 1245. Rule 36(a)(6)  
4 confirms as much—“On finding that an answer does not comply with this rule, the  
5 court may order either that the matter is admitted or that an amended answer be  
6 served.” There is no preference in the rule itself as to which remedial measure should  
7 be employed first when a party does not comply with Rule 36(a). *See Fed. R. Civ. P.*  
8 36(a)(6).

9 The magistrate judge’s determination that ORI’s response was evasive coupled  
10 with the remedial measures authorized by Rule 36(a) permit the Court to deem RFA  
11 No. 19 as admitted. In this matter, the magistrate judge acted well within the scope  
12 of his discretionary authority. Consequently, the Court cannot reach a “definite and  
13 firm conviction that a mistake has been committed” by the magistrate judge, and  
14 concludes that the magistrate judge’s May 12, 2016 Order is not clearly erroneous.  
15 *See Concrete Pipe*, 508 U.S. at 623.

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17 **III. CONCLUSION & ORDER**

18 In light of the foregoing, the Court **OVERRULES** ORI’s objection to the  
19 magistrate judge’s May 12, 2016 Order. (ECF No. 264.)

20 **IT IS SO ORDERED.**

21  
22 **DATED: June 23, 2017**

  
23 **Hon. Cynthia Bashant**  
24 **United States District Judge**

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